Taking out farm trade from WTO purview

3342. SHRI A. VIJAYARAGHAVAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there is any proposal to take out the farm trade out of the purview of World Trade Organization;

(b) if so, the details thereof; and

(c) the details of steps taken in the Doha Development round of Negotiations, to protect the subsistence farmers of India especially cotton and rice farmers from the price fall in international market due to hefty subsidies in Europe and America?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) No, Sir,

(b) Does not arise.

(c) The Government is fully aware of the concerns of Indian farmers and accordingly took a strong and principled stand during the Hong Kong Ministerial Conference of the World Trade Organisation (WTO) held in December, 2005 at Hong Kong. India has maintained at the WTO that the developing countries cannot be asked to reduce their agriculture tariffs as long as the developed countries continue to subsidize the domestic produce of their farmers and also extend export subsidies to them.

At Hong Kong Ministerial it was agreed that there would be effective cuts in trade distorting domestic subsidies and also that all forms of export subsidies would be eliminated by 2013 with a substantial part being eliminated half way through. As regards, cotton, there was a specific commitment that all forms of export subsidies for cotton would be eliminated by developed countries in 2006 and that trade-distorting domestic subsidies for cotton production would be reduced more ambitiously and over a shorter implementation period than agriculture domestic subsidies, in general.

The Hong Kong Ministerial Declaration has already recognized the right of the developing countries of self-designate an appropriate number of tariff lines as Special Products to meet their food security, livelihood security and rural development needs. The G-33 proposal indicates that on these lines, zero or a minimal tariff reduction would be undertaken. The Hong Kong Ministerial also agreed that the developing country

members will also have a right to have recourse to a Special Safeguard Mechanism to guard against surge in volume of imports and also against price depressions.

FDI in cold storage

3343. SHRIMATI S.G. INDIRA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Government had decided to allow FDI in retail in phase-II;

(b) if so, the details thereof;

(c) whether it is also a fact that Government is considering to allow FDI in cold storage; and

(d) if so, the details thereof?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) No, Sir.

(b) Does not arise.

(c) and (d) As per the extant policy Foreign Direct Investment (FDI) upto 100%, is permitted on the automatic route for setting up of Cold Storage facilities.

SEZ in Mangalore by ONGC

3344. SHRI RAJKUMAR DHOOT: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that ONGC in collaboration with Karnataka Government, Kannara Chamber of Commerce and Industry and Infrastructure Leasing and Financial Services has planned to set up a SEZ in Mangalore;

(b) if so, the details thereof;

(c) whether a PSU is allowed to set up SEZ in terms of its Articles of Association and Memorandum of Undertaking; and